



**SB 136 (2018) & SB 72 (2019)–  
Transportation Governance and Funding Amendments**

**SB 136**

- Implement a Road User Charge (RUC) – Jan 2020
  - alternative to paying a flat fee for electric vehicles:
  - Eligible Types: EV, PEHV, Hybrids
- Establish a (RUC) Advisory Committee
- Report annually on program & Future pilot projects

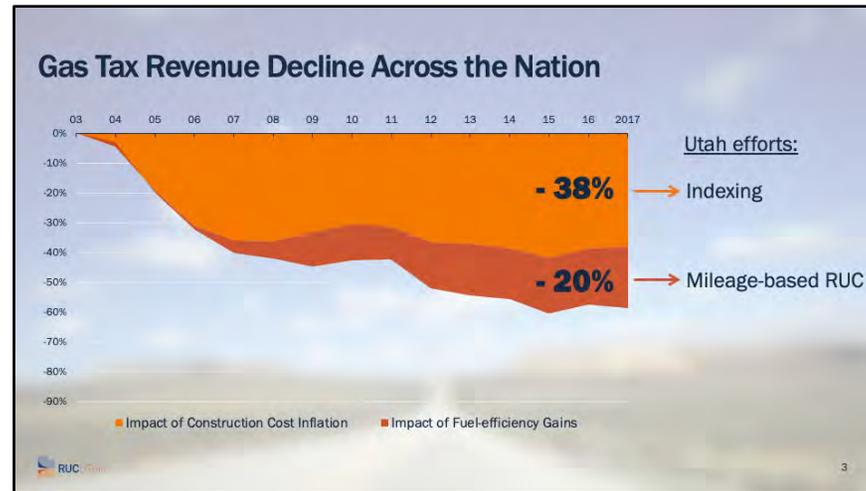
**SB 72**

- Rulemaking authority for UDOT
- Rulemaking authority for Transportation Commission
- UDOT/DMV information sharing



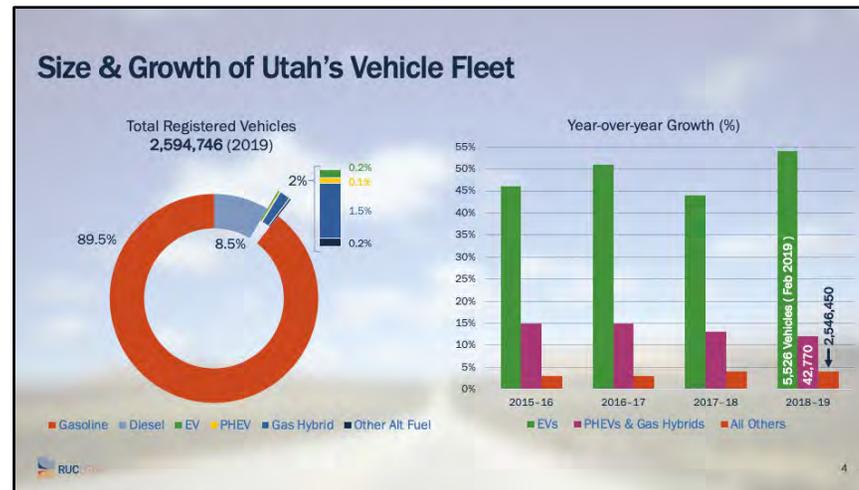
SB 136 directed UDOT to study various elements of RUC (for example privacy protection, mileage reporting methods, and system admin options) and implement an initial system for EVs, PHEVs, and gas hybrids by January 1, 2020. Formation of a 25-member Advisory Committee was part of SB 136. This group had representation from the Legislature, UDOT and other State government divisions, and non-governmental stakeholders like the ACLU, Utah Clean Energy, Utah Farm Bureau, and the Utah Taxpayers Association. The Committee advised UDOT on many aspects of the system setup.

SB 136 also required UDOT to submit an annual report of findings from its RUC efforts and directed the agency to conduct future pilot projects to further explore RUC after implementing the initial system.



The purchasing power of the gas tax has been steadily declining in recent years. Nationally, gas tax purchasing power per mile driven is almost 60% less than it was 15 years ago due to construction cost inflation and fuel-efficiency gains.

Sources: (1) EPA's "Light Duty Automotive Technology, Carbon Dioxide Emissions, and Fuel Economy Trends: 1975-2017". (2) Energy Information Agency "Annual Energy Review 2011" report. (3) UDOT VMT data. (4) FHWA National Highway Construction Cost Index.



98% of Utah's current vehicle fleet is comprised of gasoline and diesel vehicles. EVs, PHEVs, and gas hybrids make up less than 2%. However, those vehicle types are growing rapidly. EV growth averaged 47% per year from 2015-2018 and was 54% from 2018-2019. Hybrids are growing less rapidly, but are still far outpacing growth of gasoline and diesel cars. In fact, between July 2018 and January 2019, alternative fuel vehicles represented 1 out of every 7 of the increased registrations in the State.

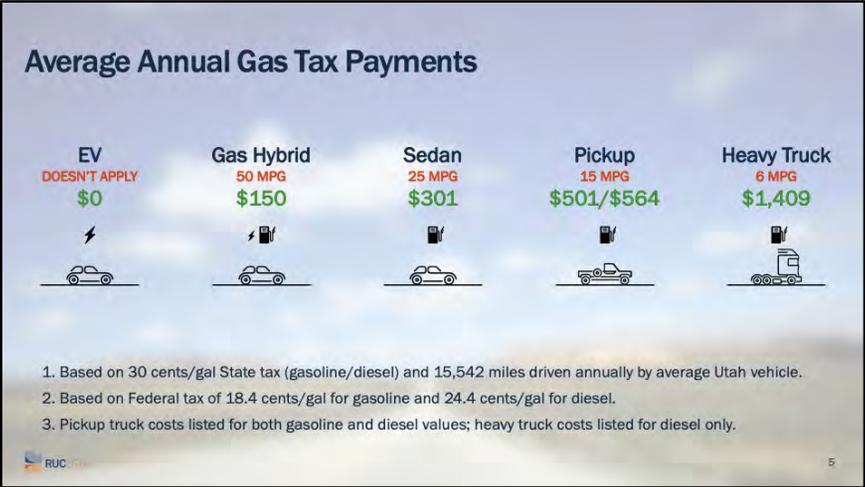
**"Back pocket" facts in case someone asks:**

- 1) The "Other Alt Fuel" category consists of vehicles that run on propane, CNG, LNG, hydrogen, and small numbers of other uncommon vehicles.
- 2) The "Gasoline" category includes flex fuel vehicles since the vast majority are most likely operating as gasoline vehicles.
- 3) The Utah DMV only began tracking PHEVs separate from gas hybrids in 2018. For this reason, PHEVs and gas hybrids are shown separately in the pie chart of current registered vehicles, but they had to be lumped together

in the year-over-year growth chart since that combined number was all that was available until 2018.

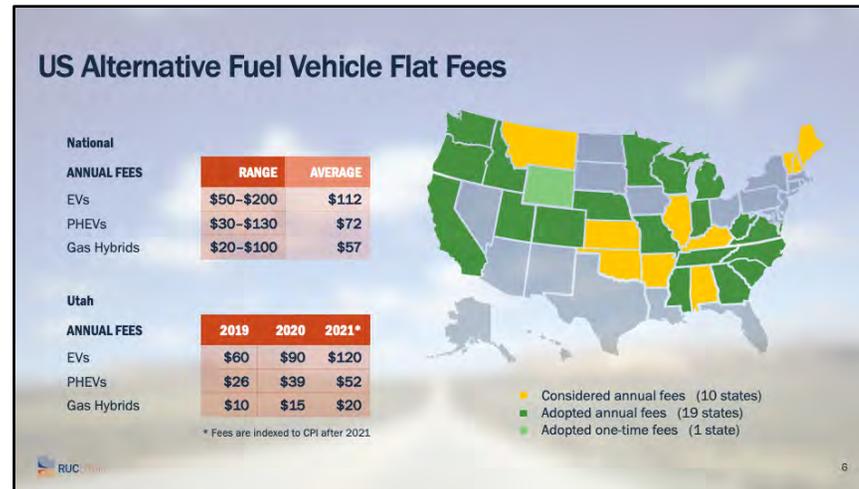
4) Total vehicle #s by category as of Feb 15, 2019:

- Gasoline = 2,318,777
- Diesel = 221,414
- EV = 5,526
- PHEV = 3,542
- Gas hybrid = 39,228
- Other Alt Fuel = 6,259



Owners of different types of vehicles currently pay a wide range of State gas tax each year. EVs don't pay any gas tax.

Including federal taxes, the average Utah sedan owner pays about \$300/year in state and federal fuel taxes.

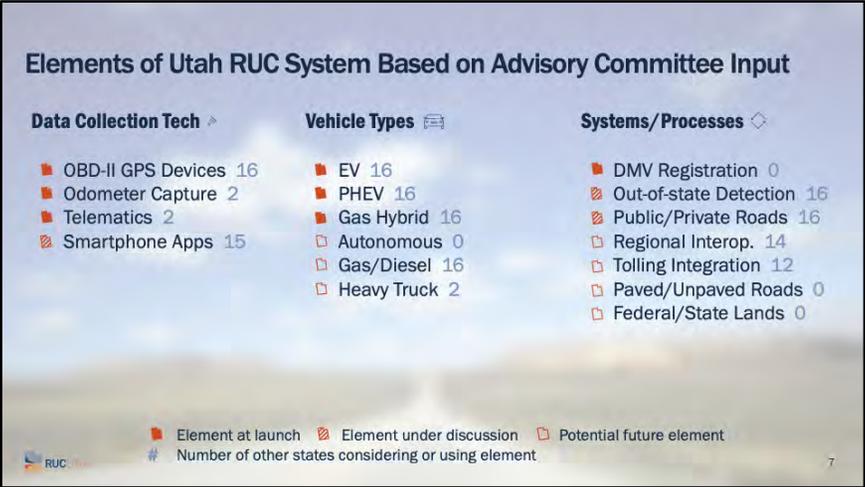


20 of the 50 states have adopted some sort of fee for alternative fuel vehicles. 10 more states have considered doing so but currently do not have fees. Fees range widely across the country. Utah’s fee for EVs is slightly higher than the national average, while the fees for PHEVs and gas hybrids are considerably lower than their respective national averages.

**”Back pocket” facts:**

- Some states have fees for fully electric vehicles only, while others have fees for EVs, PHEVs, and regular gas hybrids.

- Some fees are indexed to consumer price index (CPI), while others are not indexed.
- Some states' fees (such as Utah's) are graduated such that the fees ramp up over a few years to an ultimate value. The ranges and averages quoted here use the ultimate values for states that have graduated fees.
- Some states have higher fees for commercial/heavy alt-fuel vehicles than they do for passenger-sized alt-fuel vehicles. The ranges and averages quoted here use only the passenger-sized fee values.
- The WY one-time fee is \$50 and applies to both EVs and PHEVs, but not regular gas hybrids. They pay the fee the first time they register and don't have to pay again after that.



This slide summarizes the range of RUC elements that are being used, tested, or proposed for the future. Elements that Utah will be using at launch are shown as solid. Elements under discussion as potentially desirable in the future are hatched. Hollow symbols represent RUC elements that Utah may consider testing in the future. The numbers represent how many states have tested a given element in their ongoing systems or pilot projects.

Questions?

